

1 AN ACT concerning taxpayers.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Taxpayers' Bill of Rights Act is amended by
5 changing Section 4 as follows:

6 (20 ILCS 2520/4) (from Ch. 120, par. 2304)

7 Sec. 4. Department responsibilities. The Department of
8 Revenue shall have the following powers and duties to protect
9 the rights of taxpayers:

10 (a) To furnish each taxpayer with a written statement of
11 rights whenever such taxpayer receives a protestable notice, a
12 bill, a claim denial or reduction regarding any tax. Such
13 statement shall explain the rights of such person and the
14 obligations of the Department during the audit, appeals, refund
15 and collections processes.

16 (b) To include on all tax notices an explanation of tax
17 liabilities and penalties.

18 (c) To abate taxes and penalties assessed based upon
19 erroneous written information or advice given by the
20 Department.

21 (d) To not cancel any installment contracts unless the
22 taxpayer fails to provide accurate financial information,
23 fails to pay any tax or does not respond to any Department
24 request for additional financial information.

25 (e) To place non-perishable property seized for taxes in
26 escrow for safekeeping for a period of 20 days to permit the
27 taxpayer to correct any Department error. If seized property is
28 of a perishable nature and in danger of immediate waste or
29 decay, such property need not be placed in escrow prior to
30 sale.

31 (f) To place seized taxpayer bank accounts in escrow with
32 the bank for 20 days to permit the taxpayer to correct any

1 Department error.

2 (g) To adopt regulations setting standards for setting
3 times and places for taxpayer interviews and to permit any
4 taxpayer to record such interviews.

5 (h) To pay interest to taxpayers who have made overpayments
6 at the same rate as interest charged on underpayments.

7 (i) To grant automatic extensions to taxpayers in filing
8 income tax returns when such taxpayer has been granted an
9 extension in filing a federal tax return.

10 (j) To annually perform a systematic identification of
11 areas of recurrent taxpayer non-compliances with rules or
12 guidelines and to report its findings and recommendations
13 concerning such non-compliance to the General Assembly in an
14 annual report.

15 (k) In the case of an audit, if no violations are found,
16 the Department shall provide the taxpayer a closing letter
17 acknowledging this and thanking the taxpayer for his, her, or
18 its cooperation. If there are changes, the auditor is required
19 to provide in writing to the taxpayer (i) the audit findings
20 and (ii), unless the taxpayer declines, the audit methods and
21 procedures (but not information concerning audit selection
22 methods). The auditor must, at the request of the taxpayer,
23 provide written information as to what records constitute the
24 minimum requirements for record-keeping. If the auditor
25 recommends changes in the record-keeping process, these
26 recommendations must be provided in writing to the taxpayer.

27 (Source: P.A. 86-176; 86-189; 87-860.)